

Public Service Commission of Wisconsin

Phil Montgomery, Chairperson Eric Callisto, Commissioner Ellen Nowak, Commissioner 610 North Whitney Way P.O. Box 7854 Madison, WI 53707-7854

July 9, 2012

Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554 Received & Inspected

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FCC Mail Room

Re: PS Docket No. 09-14

Dear Secretary Dortch:

On behalf of Governor Scott Walker, the Public Service Commission of Wisconsin (PSCW) is responding to the U.S. Federal Communications Commission (FCC) Public Notice DA 12-908 that was issued to Governor Walker on June 8, 2012. In the notice, the FCC requested information for their fourth annual data collection mandated by the New and Emerging Technologies 911 Improvement Act of 2008 (NET 911 Act). As the State's wireline and wireless E911 service program administrator, the PSCW is able to properly address and provide the necessary input on the matters outlined in the FCC public notice.

The State of Wisconsin has adopted two distinct programs for the funding of wireline and wireless E911 services. For this reason, a response regarding each program is included for each of the following questions, where appropriate.

The following discussion addresses in detail each of the nine highlighted areas of interest contained in the FCC public notice.

1. A statement as to whether or not your State, or any political subdivision, Indian tribe, village or regional corporation therein as defined by Section 6(f)(1) of the NET 911 Act, has established a funding mechanism designated for or imposed for the purposes of 911 or E911 support or implementation (including a citation to the legal authority for such mechanism).

Wireline E911:

State statute in Wisconsin provides a funding mechanism to reimburse local telecommunications exchange carriers solely for the telephone expenses incurred to implement and operate an enhanced 911 system. This state statute permits local carriers to collect a surcharge through the monthly telephone bill to recover those 911-related telephone network expenses. No portion of the wireline 911 surcharge is remitted to any local government or state agency. County and municipal governments that operate a

Telephone: (608) 266-5481 Fax: (608) 266-3957 Home Page: http://psc.wi.gov TTY/TextNet: In Wisconsin (800) 251-8345, Elsewhere (608) 267-1479 E-mail: PSCRecordsMail@wisconsin.gov wireline Public Safety Answering Point (PSAP) fund all equipment, training and salary expenses of that PSAP through the county or municipal budget.

This surcharge is authorized through a contract between the county government and the participating telephone companies within that particular county.

See Wis. Stat. § 256.35(3).

Wireless E911:

Wisconsin has also adopted a funding mechanism to reimburse wireless providers and county governments for expenses incurred during a specified reimbursement period (September 3, 2003 to November 30, 2008) to implement and operate an enhanced wireless 911 emergency service system. The wireless surcharge was discontinued on July 1, 2008, and the wireless 911 Fund program expired on April 1, 2009. No funds were collected or disbursed from the wireless 911 Fund during 2011.

The statutory authority for the wireless 911 Fund is Wis. Stat. § 256.35(3m).

2. The amount of the fees or charges imposed for the implementation and support of 911 and E911 services, and the total amount collected pursuant to the assessed fees or charges, for the annual period ending December 31, 2011.

Wireline E911:

The local exchange carriers providing 911 services in a given county in Wisconsin enter into a service agreement, pursuant to Wis. Stats. §§ 256.35(3)(a)2 and 256.35(3)(b). One schedule in the service agreement identifies the network cost to be recovered. The 911 surcharge is set to recover the costs listed in that schedule. The only difference between this 911 surcharge and any other local telephone rate element is that the participating carriers' cost of providing 911 service in a given county is pooled, and a common surcharge rate is billed to each wireline access line in the county regardless of the interconnecting local carrier.

The total amount of 911 surcharge collection during 2011 is not available. The surcharge amount varies from county-to-county, based upon the cost of the 911 network and the number of billable access lines in the county. Although the surcharge rate applicable in each county is known, the number of billable access lines in each county is not. The local exchange carriers providing 911 services in a particular county collect and retain the surcharge collection. The amount of the surcharge collection, either for an individual county or for the state as a whole, is not reported, thus unknown.

Wireless E911:

The wireless 911 Fund program expired on April 1, 2009. No funds were collected or disbursed from the wireless 911 Fund during 2011.

3. A statement describing how the funds collected are made available to localities, and whether your state has established written criteria regarding the allowable uses of the collected funds; including the legal citation to such criteria.

Wireline E911:

No portion of the receipts from the wireline 911 surcharge is shared with the state or local governments. The surcharge for wireline 911 service is limited to the recovery of expenses of a telecommunications network.

Wireless E911:

The wireless 911 Fund program expired on April 1, 2009. No funds were collected or disbursed from the wireless 911 Fund during 2011.

4. A statement identifying any entity in your State that has the authority to approve the expenditure of funds collected for 911 or E911 purposes; a description of any oversight procedures established to determine that collected funds have been made available or used for the purposes designated by the funding mechanism or otherwise used to implement or support 911; and a statement describing enforcement or other corrective actions undertaken in connection with such oversight, for the annual period ending December 31, 2011.

Wireline E911:

The wireline 911 surcharge recovers the cost of providing the telecommunications network that supports the 911 service in a certain county. The surcharge is authorized by a contract or service agreement that the county enters into with the participating local exchange carriers. This contract specifies in detail the network design for the 911 service in the county, sets the amount of the 911 surcharge, and also sets forth the obligations of the parties to operate, maintain and repair the 911 telecommunications network. The requirement for a county-specific contract gives a county a measure of oversight over the design and operation of the 911 network in the county.

See Wis. Stat. § 256.35(3)(b)3.

Wisconsin's statute on 911 services also requires that the local exchange carriers submit a 911 contract, or a subsequent amendment to a 911 contract, to the PSCW for review. The PSCW may disapprove the contract or amend the contract if it finds the contract is not compensatory, is excessive or is not in the public's interest.

See Wis. Stat. § 256.35(3)(i).

In 2011, there were four counties that filed 911 contracts with the PSCW. All four of these contracts were accepted as filed.

Wireless E911:

The wireless 911 Fund program expired on April 1, 2009. With the expiration of this program, Wisconsin has discontinued state review and audit of wireless 911 operations and expenditures. All of the counties that implemented a wireless E911 service (70 of 72 counties in Wisconsin) have continued to operate their respective systems using funds at the county level. Each county Board of Supervisors has the authority to obligate the county funds that are used to pay for the recurring expenses of a wireless 911 system.

5. A statement whether all the funds collected for 911 or E911 purposes have been made available or used for the purposes designated by the funding mechanism, or otherwise used for the implementation or support of 911 or E911.

Wireline E911:

All the funds collected through the wireline 911 surcharge have been used for the purpose of establishing and operating a telecommunications network dedicated to the 911 service. No portion of this surcharge has been made available to any local government or state agency. County and municipal governments operating a wireline PSAP have funded all equipment, training and salary expenses of that PSAP through the county or municipal budget.

See Wis. Stats. §§ 256.35(3)(a)2 and 256.35(3)(b).

Wireless E911:

The wireless 911 Fund program expired on April 1, 2009. No funds were collected or disbursed from the wireless 911 Fund during 2011. After December 1, 2008, county and municipal governments that operate a wireless PSAP have funded all equipment, training and salary expenses of that PSAP through the county or municipal budget.

6. A statement identifying what amount of funds collected for 911 or E911 purposes were made available or used for any purposes other than the ones designated by the funding mechanism or used for purposes otherwise unrelated to 911 or E911 implementation or support, including a statement identifying the unrelated purposes for which the funds collected for 911 or E911 purposes were made available or used.

Wireline E911:

No portion of the wireline 911 surcharge has been made available to any local government or state agency, either for 911-related purposes or for any other purpose.

Wireless E911:

The wireless 911 Fund program expired on April 1, 2009. No funds were collected or disbursed from the wireless 911 Fund during 2011.

During the period of time when the wireless 911 Fund program was in effect, the PSCW actually disbursed 91.57% (\$31,873,646 of \$34,808,239) of the total grant award approved for county grant applicants as reimbursement for 911-related expenses. The PSCW also disbursed 57.2% (\$30,145,704 of \$52,705,783) of the total grant award approved for wireless service providers. In sum, the PSCW disbursed 70.87% (\$62,019,350) of the total approved grant award for all applicants, which was 100% of the eligible 911-related expenses reported to the PSCW in the applicants' requests for reimbursement.

On June 30, 2009, the wireless E911 Fund was closed, and the fund's balance was transferred to the State's account for General Purpose Revenue (GPR) for further distribution pursuant to the State of Wisconsin 2009-11 Biennial Budget (2009 Wisconsin Act 28).

7. A statement identifying with specificity all activities, programs, and organizations for whose benefit your State, or political subdivision thereof, has obligated or expended funds collected for 911 or E911 purposes and how these activities, programs, and organizations support 911 or E911 services or enhancements of such services.

Wireline E911:

The entire amount of the wireline 911 surcharge is retained by the participating local exchange telecommunications carriers as compensation for the cost of providing the 911 telecommunications network. No portion of the wireline 911 surcharge has been made available to any state agency, county government, municipal government, or other activity, program or organization, either for 911-related purposes or for any other purpose. No other funds have been collected or expended for 911 service or E911 purposes during 2011.

Wireless E911:

The wireless 911 Fund program expired on April 1, 2009. No funds were collected or disbursed from the wireless 911 Fund during 2011.

8. A statement regarding whether your State classifies expenditures on Next Generation 911 as within the scope of permissible expenditures of funds for 911 or E911 purposes, whether your State has expended such funds on Next Generation 911 programs, and if so, how much your state has expended in the annual period ending December 31, 2011 on Next Generation 911 programs.

There has yet to be a county that has proposed to purchase and operate a Next Generation 911 service in Wisconsin. While it is thought that a county could contract with participating local exchange carriers to implement and operate the telecommunications network that supports a Next Generation 911 service using the existing wireline 911 surcharge funding mechanism, the PSCW has not had the occasion to consider or decide whether such a use of the wireline 911 surcharge is appropriate under the existing 911 state statute. No funds were expended on Next Generation 911 programs during 2011.

9. Any other comments you may wish to provide regarding the applicable funding mechanism for 911 and E911.

Wireline E911:

Currently, 71 of 72 counties in Wisconsin provide E911 service to its residents. One county, Iron County, has continued to use a basic 911 service due to the cost of the terminal equipment and associated salary and facilities expenses.

Wireless E911:

Currently, 70 of 72 counties in Wisconsin provide Phase II wireless E911 access to its residents. The two remaining counties (Iron and Taylor counties) both employ a basic wireless 911 service due to the cost of the equipment and facilities. In addition, it is the view of the counties that there is too little wireless service coverage within those counties to justify the expense.

If you have any additional questions or comments regarding this matter, please contact Dennis Klaila, Telecommunications Division, of the PSCW at (608) 267-9780 or at dennis.klaila@wisconsin.gov.

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The Public Service Commission of Wisconsin appreciates the opportunity to provide the FCC its input and analysis regarding the State's 911 and E911 services. Again, on behalf of Governor Walker, thank you for your consideration as we move our country and state forward.

Sincerely,

Brian J. Rybarik

Administrator

Telecommunications Division

cc: David S. Turetsky, Chief, Public Safety and Homeland Security Bureau, FCC

Scott Walker, Governor, State of Wisconsin

Douglas La Follette, Secretary, State of Wisconsin

Mike Huebsch, Secretary, Wisconsin Department of Administration

Phil Montgomery, Chairperson, Public Service Commission of Wisconsin

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